

LOCAL DBA PROVISIONS FOR SOLICITATIONS AND CONTRACTS

The provision “Defense Base Act Insurance Rates – Limitation – Fixed-Price (Apr 2007)” **shall be included in solicitations** for fixed-price contracts to be performed outside the U.S. by contractor personnel.

DEFENSE BASE ACT INSURANCE RATES – LIMITATION – FIXED-PRICE (APR 2007)

(a) The U. S. Army Corps of Engineers (USACE) has entered into a contract with **CNA/Continental Insurance Company** to provide all Defense Base Act (DBA) insurance to USACE contractors at a contracted rate. The rates for this insurance are as follows:

Services @ \$3.50 per \$100 of compensation; or

Construction @ \$7.25 per \$100 of compensation.

(b) Bidders/Offerors should compute the total compensation (direct salary plus differential, but excluding per diem, housing allowance and other miscellaneous post allowances) to be paid to employees who will be covered by DBA insurance and the cost of DBA totals in the spaces provided for the base period and whatever extension there may be thereafter, if applicable.

(1) Compensation of Covered Employees: _____

(2) Defense Base Act Insurance Costs: _____

(3) Total Cost: _____

(c) Bidders/Offerors shall include a statement as to whether or not local nationals or third country nationals will be employed on the resultant contract.

(d) CNA Insurance is utilizing Rutherford International as their managing Broker. The primary POC is the USACE DBA Program Administrator is Ramoan Jones, (703) 813-6571 ramoan.jones@rutherford.com. The alternate POC is Sara Payne, Senior Vice President, (703) 813-6503 sara.payne@rutherford.com.

The provision “Defense Base Act Insurance Rates – Limitation – Cost-Reimbursement, Labor Hour, and Time-and-Materials (Apr 2007)” **shall be included in solicitations** for cost-reimbursement, labor-hour, or time-and-materials contracts to be performed outside the U.S. by contractor personnel.

DEFENSE BASE ACT INSURANCE RATES – LIMITATION – COST-REIMBURSEMENT, LABOR-HOUR, AND TIME-AND-MATERIALS (APR 2007)

(a) The U. S. Army Corps of Engineers (USACE) has entered into a contract with **CNA/Continental Insurance Company** to provide all Defense Base Act (DBA) insurance to USACE contractors at a contracted rate. In preparing the cost proposal, the offeror shall use the following rates in computing the cost for DBA insurance.

Services @ \$3.50 per \$100 of compensation (direct salary plus differential, but excluding per diem, housing allowance, education allowance, and miscellaneous allowances); or

Construction @ \$7.25 per \$100 of compensation (direct salary plus differential, but excluding per diem, housing allowance, education allowance, and miscellaneous allowances)

(b) These rates apply to all job classifications in those particular categories. The successful offeror shall be advised of the name and address of the insurance broker who will process the DBA insurance coverage.

(c) Should an offeror compute or include higher DBA insurance rates, the rate shall be disallowed.

(d) Offerors shall include in their proposals a statement as to whether or not local nationals or third country nationals will be employed on the resultant contract.

(e) CNA Insurance is utilizing Rutherford International as their managing Broker. The primary POC is the USACE DBA Program Administrator is Ramoan Jones, (703) 813-6571 ramoan.jones@rutherford.com. The alternate POC is Sara Payne, Senior Vice President, (703) 813-6503 sara.payne@rutherford.com.

Whenever Defense Base Act (DBA) insurance is required under the contract for services, the clause “Workers Compensation Insurance (Defense Base Act) – Services (Apr 2007)” **shall be included.**

If the contract is for construction, 1) revise the title of the clause to read as follows: WORKERS COMPENSATION INSURANCE (DEFENSE BASE ACT) – CONSTRUCTION (NOV 2005) and 2) substitute the last sentence of paragraph (b) to read as follows: The current rate under the USACE contract is \$7.25 per \$100 of compensation for construction.

WORKERS COMPENSATION INSURANCE (DEFENSE BASE ACT) – SERVICES (APR 2007)

- (a) This clause supplements FAR Clause 52.228-3.
- (b) The contractor agrees to procure Defense Base Act (DBA) insurance pursuant to the terms of the contract between the U.S. Army Corps of Engineers (USACE) and **CNA/Continental Insurance Company** unless the contractor has a DBA self-insurance program approved by the Department of Labor. The contractor shall submit a copy of the Department of Labor’s approval to the contracting officer upon contract award. The current rate under the USACE contract is \$3.50 per \$100 of compensation for services.
- (c) The contractor agrees to insert a clause substantially the same as this one in all subcontracts to which DBA is applicable. Subcontractors shall be required to insert a similar clause in any of their subcontracts subject to the DBA.
- (d) Should the rates for DBA insurance coverage increase or decrease during the performance of this contract, USACE shall modify the contract accordingly. However, the revised rates will not be applicable until the Contractor’s or Subcontractor’s DBA Insurance policy is due to be renewed.
- (e) Premiums will be reimbursed only if coverage is purchased through the USACE DBA Pilot Program administered by CNA Insurance and their Managing Broker, Rutherford International.